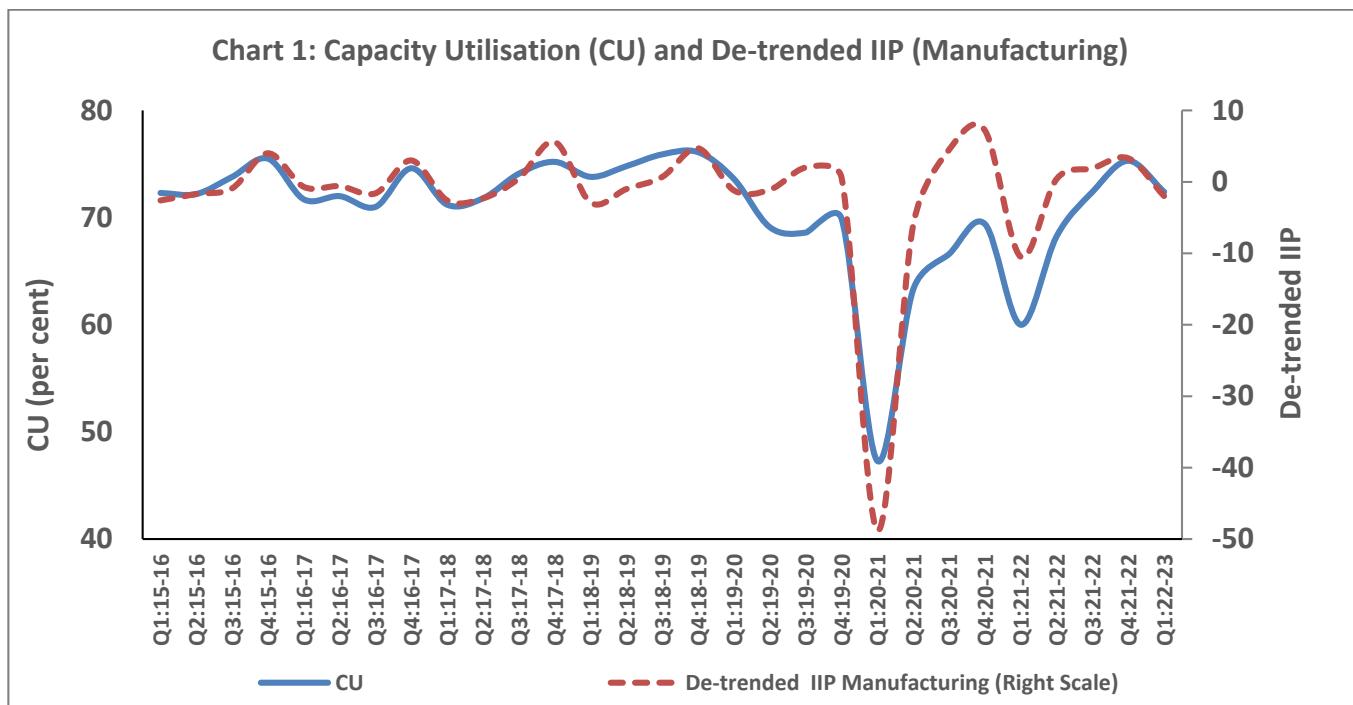


## Order Books, Inventories and Capacity Utilisation Survey on the Manufacturing sector for Q1:2022-23

Today, the Reserve Bank released the results of the 58<sup>th</sup> round of the quarterly Order Books, Inventories and Capacity Utilisation Survey (OBICUS), which provides a snapshot of demand conditions in India's manufacturing sector<sup>1</sup> during April-June 2022. The survey covered 734 manufacturing companies.

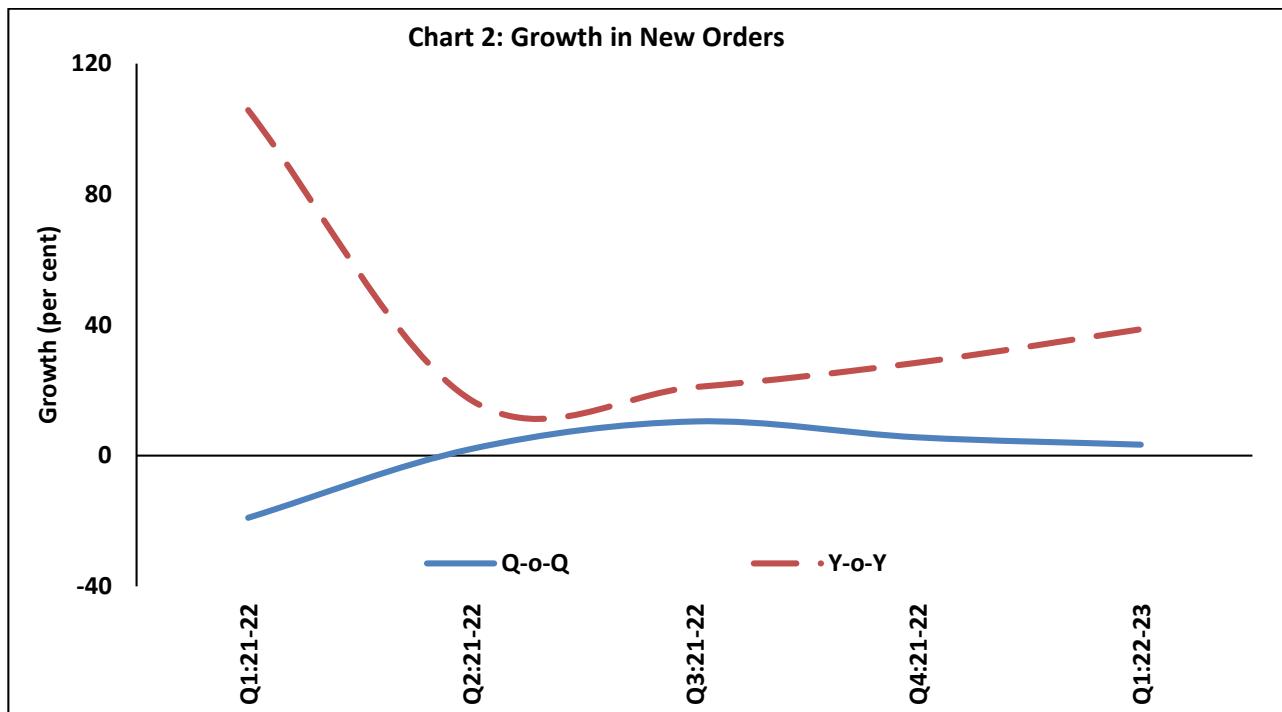
### **Highlights:**

- At the aggregate level, the capacity utilisation (CU) for the manufacturing sector recorded seasonal decline to 72.4 per cent in Q1:2022-23 from 75.3 per cent in the previous quarter. (Chart 1 and Table 1)
- The seasonally adjusted CU increased to 74.3 per cent in Q1:2022-23 from 73.0 per cent in Q4:2021-22.

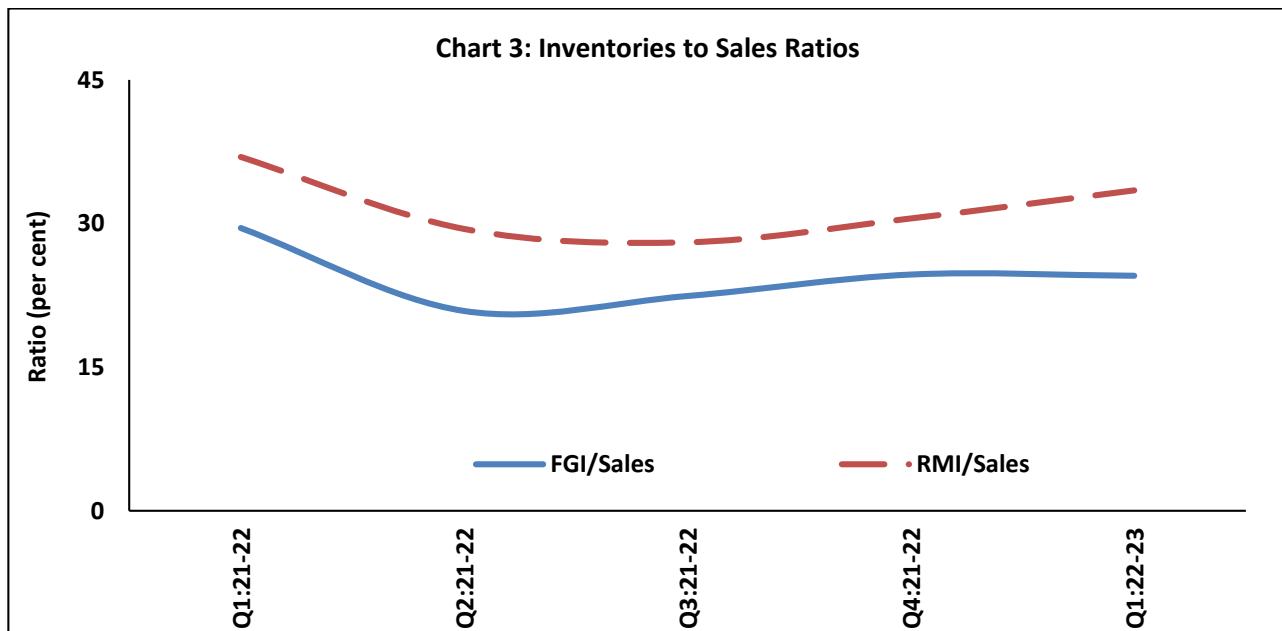


- Manufacturing companies have been receiving higher new orders; Sequential (q-o-q) growth for the last four successive quarters have been positive as the adverse impact of the COVID-19 pandemic has been waned over the period (Chart 2 and Table 2A)

<sup>1</sup> The survey responses are voluntary. Results of the previous survey round were released on the Bank's website on [August 05, 2022](#).



- The raw material inventory (RMI) to sales ratio increased during Q1:2022-23 consistent with improving demand conditions; finished goods inventory (FGI) to sales ratio has remained stable, barring the period, which was majorly affected by the pandemic-related restrictions. (Chart 3 and Table 3A)



**Note-** [Please see the excel file for time series data.](#)

**ANNEX 1: Data Tables**

**Table 1: IIP\*-Manufacturing and Capacity Utilisation (CU)**

Quarter	Number of responding companies	Capacity Utilisation	IIP-Manufacturing (Quarterly Average)	De-trended Quarterly IIP-Manufacturing
Q1:2021-22	640	60.0	119.1	-10.5
Q2:2021-22	728	68.3	131.6	0.4
Q3:2021-22	757	72.4	135.0	1.9
Q4:2021-22	727	75.3	138.1	3.3
Q1:2022-23	692	72.4	134.3	-2.0

\*: Index of Industrial Production (Base: 2011-12)

**Table 2A: Order Books Growth (Q1:2021-22 to Q1:2022-23)**

Quarter	Number of companies	Q-o-Q Growth # (per cent) **			Y-o-Y Growth # (per cent)		
		Backlog Orders	New Order Book	Pending Orders	Backlog Orders	New Order Book	Pending Orders
Q1:2021-22	120	-0.5	-19.0	5.3	11.8	105.7	17.3
Q2:2021-22	184	10.8	2.1	3.9	10.2	16.9	15.1
Q3:2021-22	205	3.5	10.5	7.8	19.5	20.9	20.5
Q4:2021-22	207	4.7	5.6	4.6	14.2	28.4	25.1
Q1:2022-23	233	0.3	3.4	4.2	15.2	38.7	10.3

#: Growth rates are calculated using three rounds common set of companies, namely, companies responded in the current quarter, one quarter ago and the same quarter a year ago.

\*\*: Not seasonally adjusted.

**Table 2B: Average Size of Order Books (Q1:2021-22 to Q1:2022-23)**

Quarter	Number of companies	Average Amount (₹ Crores)		
		Backlog Orders	New Order Book	Pending Orders
Q1:2021-22	120	188.1	171.0	197.8
Q2:2021-22	184	197.9	195.7	207.4
Q3:2021-22	205	182.3	224.4	196.6
Q4:2021-22	207	176.3	222.4	184.2
Q1:2022-23	233	221.7	244.8	231.5

**Table 3A: Inventory to Sales Ratios (Q1:2021-22 to Q1:2022-23)**

Quarter	Number of Companies	Ratio (per cent) #		
		Total Inventory / Sales	Finished Goods Inventory / Sales	Raw Material Inventory / Sales
Q1:2021-22	478	78.6	29.5	36.9
Q2:2021-22	537	60.5	20.9	29.4
Q3:2021-22	681	58.1	22.4	28.0
Q4:2021-22	651	65.2	24.7	30.5
Q1:2022-23	630	69.6	24.6	33.5

#: Weighted average of industry level ratios using GVA as weights

**Table 3B: Average Sales and Inventories (Q1:2021-22 to Q1:2022-23)**

Quarter	Number of Companies	Average Amount (₹ Crores)				
		Sales	Total Inventory	Finished Goods Inventory	Work in progress Inventory	Raw Material Inventory
Q1:2021-22	478	869.2	489.7	208.8	79.7	201.2
Q2:2021-22	537	1012.6	494.4	200.0	78.6	215.8
Q3:2021-22	681	1027.9	465.0	193.5	62.0	209.5
Q4:2021-22	651	1123.2	530.2	219.2	79.8	231.2
Q1:2022-23	630	1238.3	591.8	238.3	87.3	266.2

**Note:** The computations of order book growths and inventory to sales ratios are based on methodology given in the RBI press release dated October 8, 2021 (link: <https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=20650>) and not on the basis of averages given in the above tables.